AMERICAN GERIATROPOS SOCIETY

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June 16, 2003

LINDA HIDDEMEN BARONDESS Executive Vice President

The Honorable Bill Thomas The Honorable W.J. "Billy" Tauzin United States House of Representatives Washington, DC 20515

Dear Representatives Tauzin and Thomas:

The American Geriatrics Society (AGS) is pleased to support the physician payment update provisions contained in the "Medicare Drug and Modernization Act of 2003." We commend you for your efforts to avert the 4.4% payment cut in FY 2003 and your willingness to take further action to address the negative updates projected for FY 2004 Your proposal to provide positive updates of not less than 1.5% for each of those years will provide a temporary reprieve from more cuts while providing time for Congress and the medical community to work together to improve the underlying formula that determines how the updates are calculated.

The continued reductions in Medicare physician payments projected by the Centers for Medicare and Medicaid Services threaten seniors' access to high-quality medical care. Geriatricians as well as other members of the interdisciplinary team who bill Medicare directly are particularly affected by these cuts due to their high Medicare patient loads. Further reductions will only exacerbate existing access problems for seniors in need of the specialized care that geriatric health professionals are trained to provide.

We appreciate your efforts to enact a two-year reprieve from more cuts in the update, and look forward to working with you on a permanent solution to the problems with the sustainable growth rate formula.

Sincerely,

Richard W. Besdine, MD, FACP, AGSF

AGS President

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